

## LIMITED-SOURCES JUSTIFICATION

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
23 Christopher Way  
Eatontown, NJ 07724
2. Description of Action: The proposed action is for a twelve (12) month firm-fixed price (FFP) task order for the procurement of brand name Hughes Identification Devices (HID) Global's ActivIdentity (AI) enhanced engineering and implementation/integration support services. This effort is being conducted under the authority of the Multiple Award Schedule Program; the proposed effort will be competed amongst resellers under the General Services Administration (GSA) Federal Supply Schedule (FSS) 70.
3. Description of the Supplies or Services: The VA Office of Information and Technology, Service Delivery and Engineering, Enterprise Systems Engineering group has a requirement for brand name HID Global's AI enhanced engineering and implementation/integration support services to support implementation of VA's Personal Identity Verification (PIV) Card Management System (CMS) Version 4.3. The required CMS enhanced support services will ensure currency, reliability, and stability of the CMS environment which is based on HID AI brand name software currently owned by VA. These services include testing, configuring, integrating and implementing CMS into the PIV test, pre-production, and production environments. The required effort also includes the HID Global engineering analysis support for all major issues affecting CMS or PIV card production for VA and the deployment of Disaster Recovery environment within VA. The period of performance shall be 12 months beginning September 29, 2016 through September 28, 2017.
4. Authority: This acquisition is conducted under the authority of the Multiple-Award Schedule Program. The specific authority providing for a limited source award is Federal Acquisition Regulation (FAR) Part 8.405-6(a)(1)(i)(B), Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.
5. Rationale Supporting Use of Authority Cited Above: This is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer. Based on Market Research, as discussed in section eight of this justification, there is an expectation of limited competition through resellers of the required brand name services. VA previously procured licenses and deployed a highly customized installation of a proprietary HID AI software solution for PIV CMS in 2009. The HID AI CMS software is installed on about 450,000 computers within VA to allow local workstations or laptops to successfully read information stored

## CMS Enhanced Support

on the PIV smart card. HID AI is a highly configurable software suite of products that has been modified and upgraded on a regular basis to support CMS.

While another vendor can provide general integration services for a generic software application, only HID can provide the required implementation, integration, and enhanced engineering services required by the Government, as HID is the Original Software Developer (OSD). The AI software suite that is deployed, as described above, is proprietary to HID, of which the Government does not own the rights. Therefore, only HID or an authorized reseller would have access to the proprietary HID source code. This source code is required for the integration and implementation to be successful as the CMS 4.3 version integration will require modifying the source code of AI software to implement into the PIV environment

Without the procurement of these services, the current instance of the CMS Application will impede PIV card production as well lead toward instability and application unavailability. Without these services VA will not be able to update in a timely manner to latest version of the CMS application which provides needed functionality for the migration of VA's Certificate Authority in-house scheduled within the next 12 months.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined however that limited competition is viable among authorized resellers for this brand name item. The ordering activity will post the justification along with the Request For Quotation to e-Buy in accordance with FAR 8.405-6(b)(3). Furthermore, in accordance with FAR 5.301 and 8.406(a)(2), this action will be synopsisized at award on the Federal Business Opportunities Page and the justification will be made publicly available.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: Market Research was conducted in March 2016 to determine if another source could provide the required services. The Government's technical experts performed market research through the review of trade publications and web searches. Based on the fact that the software code is proprietary to HID, as discussed in Section five above, no other vendor, aside from HID or its authorized resellers has access to this code. During the market research, the Government's technical experts also reviewed software with similar capabilities to the CMS software; specifically those manufactured by RFID Connect, SCB Solution, Sentinel Technology, Intercede, DEXA Systems and neXus Group. Based on this market research, none of these companies' software could provide the interoperability and

## CMS Enhanced Support

compatibility with the currently fielded HID CMS software used in the PIV System. Only HID Corporation, or resellers, has the knowledge and expertise to support the integrated CMS suite of software products

Additionally, in March 2016, the Government reviewed the GSA eLibrary and contacted the OSD to review available resellers. Based on discussions with the OSD, it was discovered that there were multiple resellers of the required services under GSA Schedule 70. The solicitation will be released as a set-aside to Service-Disabled Veteran-Owned Small Businesses, as there is limited competition anticipated for this requirement.

9. Other Facts: None